GOVERNMENT OF INDIA
CHEMICALS AND FERTILIZERS
LOK SABHA

STARRED QUESTION NO:282
ANSWERED ON:11.03.2003
CATEGORIZATION OF UREA MANUFACTURING UNITS
SUSHIL KUMAR INDORA

Will the Minister of CHEMICALS AND FERTILIZERS be pleased to state:

(a) whether urea manufacturing units have been categorised under the new system of price fixation of urea fertilizers;

(b) if so, the number of categories into which the urea fertilizer manufacturing units have been divided;

(c) the criteria laid down for making these categories;

(d) whether average manufacturing cost of urea fertilizer manufacturing units has been estimated, category-wise; and

(e) if so, the details thereof?

Answer

THE MINISTER OF CHEMICALS AND FERTILIZERS (SHRI SUKHDEV SINGH DHINDSA)

(a) to (e): A statement is laid on the table of the House.

Statement referred to in reply to parts (a) to (e) of the Lok Sabha Starred Question No. 282 to be answered on 11.3.2003

(a) to (c): The New Pricing Scheme for urea units shall come into effect from1.4.2003. Under the Scheme, the units shall be placed in six groups based on vintage and feedstock, for determining the group based concession rates. These groups are: pre-1992 gas based units, post-1992 gas based units, pre-1992 naphtha based units, post-1992 naphtha based units, Fuel Oil/Low SulphurHeavy Stock (FO/LSHS) based units and mixed energy based units.The mixed energy based group shall include such gas-based units that use alternative feedstock/fuel to the extent of more than 25% as admissible on 1.4.2002.

(d) & (e): The group concession rate on 1.4.2003 would be computed on the data of the units on 31.3.2003 as applicable. To determine that, the retention prices as notified for 1.4.2002 would be taken as the base and the adjustment on the basis of 8th pricing period for the remaining period, i.e. 1.4.2002 to 31.3.2003, shall be made before the end of financial year 2003-2004.